Student Online Shopping Behaviour Through Instagram

Muhammad Riyan Davala, Luthfia Salma Amanda, Fadiyah Nur Azizah Syafitri

[1] Muhammad Riyan Davala: Departemen Ekonomi, Fakultas Ekonomi dan Bisnis, Universitas Muhammadiyah Yogyakarta, Bantul, Indonesia, 55183

[2] Luthfia Salma Amanda: Departemen Ekonomi, Fakultas Ekonomi dan Bisnis, Universitas Muhammadiyah Yogyakarta, Bantul, Indonesia, 55183

[3] Fadiyah Nur Azizah Syafitri: Departemen Ekonomi, Fakultas Ekonomi dan Bisnis, Universitas Muhammadiyah Yogyakarta, Bantul, 55183

Email: m.riyan.fe20@mail.umy.ac.id [1]; luthfia.salma.fe20@mail.umy.ac.id[2] ; fadiyah.nur.fe20@mail.umy.ac.id

ABSTRACT

The rise of consumption through online shops by students is one of the background problems in this study. Generally, students do shop online not based on mere needs, but for the sake of pleasure and lifestyle that causes a person to become wasteful or better known as consumptive behavior or consumerist behavior. This research focused on the pattern of shopping behavior through Instagram among female students. This study uses qualitative research methods involving 50 respondents in the scope of undergraduate students of several universities in Indonesia. In this study, it was described that the behavior of shopping through instagram among students was shown by the intensity of their spending which was counted a lot, with an average allowance of mostly Rp. 1,000,000 - Rp. 5,000,000 once a month there were those who spent more than 6 minutes until more than 20 minutes one time visited instagram. They are trying to find recommendation and information by using more in instastory feature in instagram. They almost influencing by their friend and public figure. In conclusion instagram really give impact in their behavior in online shopping.

Keyword: Student Behavior, Instagram

INTRODUCTION

Today's social media has speedily developed in terms of communicating, sharing information and even growing interest. The ease in retrieving any information from internet also affects business world, especially the way people buying a product. Nowadays, the entire industries have been transformed, many of new companies appeared, huge affluences were lost or won by entrepreneurs and investors. All of these were the results of digital technology. New technologies like the Internet, mobile phones, and "smart" electronics have become mainstream use. This opened the way for new ways in business practice. Many people have stated to this process as "e-business revolution" (electronic business revolution). From many ways to exploration information using internet, social network is an effective tool to search information about goods and services (Rajagopalan & Subramani, 2003). Affect of the easiness in accessing any information from internet also influencing business world, especially the way people buying a product.

The effect of such development is the popularity of online shopping. Online shopping is basically the action of purchasing or services by the internet. Online-shop is growing very rapidly in Indonesia. Initially only in Jakarta, then to other big cities until finally venturing into rural areas, one of the real examples of the development of online-shop appears from the trade sector, especially in the fields of fashion, jewelry, children's toys, reading books, equipment body, to building materials and household needs.

Instagram has recently become popular platform for uploading photos or videos. Instagram extremely catching the attention of Indonesia social networks users. In fact, Instagram hold the top 4 media in Indonesia, after Facebook, Twitter, and Google. Total users of 23 million people in 2014 (Satarman, 2014). Based on the survey made by JakPat, there are 75.47% Instagram users' uses their account to find a particular seller account and follow the account to see the product (Wijaya, 2015). The largest Instagram active users come from the United States as many as 110 million. This is followed by Brazil with 57 million active users and Indonesian users are in third place accounting for 53 million.

Nowadays, more people have opened a virtual shop on Instagram to sell their products or services. This is considered relatively easy because the user just creates an account, posts the sample image of the product., gives some description, and makes consumers interested in the best products. Consumers usually show interest in the products they like by leaving a message on posting or by contacting the store owner using message sending application, such as WeChat, WhatsApp, or Line. After the customers are interested in certain products, there will be transaction. This is done through by online payment such as payment credit card, payment services, and debit card.

In principle, the most user of Instagram is young people. The phenomenon of online selling and buying is also experienced by undergraduate students in Indonesia. Instagram is accessed by many students as a medium to buy various types of good like clothes, accessories, foods, shoes, and electronic stuffs. The Instagram application provides ease for the students to do shopping everywhere and every time. The products they desire can be searched only by opening the explore feature and input the keyword of the products. The information related to the products will be displayed in form of pictures as well as videos.

In this research, the researcher focused on consumer behavior when doing selling and buying through Instagram. This paper aimed to analyze the Instagram's impact on consumer behavior.

LITERATURE REVIEW

In the process of making this study, author used some perceptions that can help the author to understand. The concepts that help the author were online shops; online search intention theories, factors that influenced online search intention theories, and purchase intention theories.

Online shopping is "the ability for people to purchase or sell goods and services, over the Internet or using any similar public electronic network similar public electronic network" (ENISA, 2010). Li and Zhang (2002) also defined "online shopping behavior refers to the process of purchasing goods or services via the Internet". In short, online shopping can be definite as buying or selling the goods and services by online or via internet.

Online search intention of the customers associated to how the customers search and find prized information of using internet. Before customers need to purchase goods or services, the customers most probable to search and collect prized information about the goods or services first (Shim S. ,Eastlick, Lotz & Warrington, 2001). According to Kim, Lee, and Kim (2004), intention to usage the internet for information search can be seen from how the customers like to use internet to collect more information and compare similar and competitive product. Topaloglu (2012) also measure search intentions as the way people do in-depth search before choose to purchase a product. Online search intentions also assist customers to use search engine and product comparison services (Pedersen & Nysveen, n.d.). By knowing enough information of the products, customers can have the considerations whether to purchase the product or not. In other words, information search can be affecting customers purchasing intention (Malmarugan, 2008).

Referred to a study made by YE Naiyi (2004), perceived risk is "a main concept in consumer behavior that indicates that consumers experience repurchases improbability as to the type and degree of predictable loss resulting from the purchase and use of a product". These risks include financial risks (i.e., fraud or economic loss), social risk (i.e., social rejection against the online-purchased product), performances risk (i.e., spoilage or performance failure of an online purchased product), personal risk (i.e., unstable online shopping process), and privacy risk (i.e., fear of the exposure of personal information) (Kim, Lee, & Kim, 2004)

Online shopping experience referred to "the set of all services and policies related to the store atmosphere and customers, including interpersonal interaction, sales staff's efforts and commitment and relevant policies provided to please or attract customers" (Lee, Huang, & Chen, n.d.). Lee, Huang, and Chen (n.d.) also stated that online purchase experience as the constancy of the customers get when they obtain the same product/service as they expected. In the research made by Kim, Lee, and Kim (2004), they use satisfaction, pleasure, and happiness the customers as the indicators of online purchase experience.

Based on Kim, Lee, and Kim (2004), online purchase intention show the condition in which the customers like to shop, willing to buy again, and feels that internet as a appropriate platform to purchase a product. Irshad (n.d.) also stated purchase intention referred to the customer's willingness to buy the brand, increase, and continue its

usage. The theory of purchase intention also can be applied in online shopping. Online purchase intention connected to how the customers have the willingness to make purchase activity in Internet or doing online shopping (Li & Zhang, 2002).

For the financial sector, technological innovation is actually not a new phenomenon because between technology and finance has a long history so that financial technology or more popularly known as FinTech. In general and in broad terms, FinTech refers to the use of technology to provide financial solutions (Arner, et al, 2015).

Specifically, FinTech is defined as the application of digital technology to financial intermediation problems (Aaron, et al, 2017). FinTech is as an industry consisting of companies that use technology so that the financial system and the delivery of financial services are more efficient (World Bank, 2016). FinTech is also defined as a technological innovation in financial services that able produce business models, applications, processes or products with material effects related to the provision of financial services (FSB, 2017).

FinTech's activities in financial services can be determine into 5 (five) categories, as follows (FSB, 2017): first, payments, transfers, clearing, and settlement (payment, clearing and settlement). This activity is related to mobile payments (either by banks or non-bank financial institutions), electronic wallets (digital wallets), digital currencies (digital currencies) and the use of distributed kasbuk / ledger technology (distributed ledger technology, DLT) for infrastructure. payment (Griffoli, 2017). Second, Deposits, loans and additional capital (deposits, lending and capital raising). FinTech's most common innovations in this field are crowd funding and online P2P (peer-to-peer) lending platforms, digital currencies and DLT. Third, Risk management. FinTech companies that participate in the insurance sector (InsurTech) have the potential to affect underwriting, risk pricing and settlement claims. Fourth, Market support (market support). The FinTech technology section can provide efficient processes, such as e-aggregators, big data, digital ID verification, data and processing storage (cloud computing), or the execution of orders through "smart contracts". Fifth, Investment management. This dimension includes an e-trading platform that allows consumers to invest directly with computers on all types of assets.

- The research questions were:
  What are the student shopping behavior?
- The Objective Research
  To know what are student shopping behavior.

METHOD RESEARCH

The research design chosen for this study is exploratory and descriptive. This can use various

Methods such as interviews, filling out goggle forms, or other tactics for the purpose of getting Information, and descriptive research including surveys and finding fact questions of various types. The main purpose of the research is a description of existing conditions now.

(1) The questionnaire has several components as follows:
- Profile of respondents such as gender, age, education, income.
- Behavior of visiting social media sites, frequency of visits, and the amount spent, and the product purchased.
- Various reasons encouraging social media users to do online shopping through Instagram such as entertainment, networking, information about new brands, etc.

(2) Data Collection:

A qualitative research approach was adopted in this study to get some ideas of student online shopping behavior of the college students. A qualitative research method is useful in understanding perspectives all respondents, key phrases which sum up attitudes or experiences of the respondents and to find their motivation behind a decision (Vinten, 1994).

The data were collected through a questionnaire prepared to collect data from related respondent covering things that encourage social media users (Instagram) to do online shopping. Data were collected from 100 respondents who come from several universities in some region in Indonesia.

(3) Time to do the Research:

The research period is March - April 2019.

(4) Tools for Analysis:

Questionnaire given in Google form

RESULT AND DISCUSSION

After conducting research by spreading questionnaire in Google Form to some college students who are from some region in Indonesia which aims to discover the consumer behavior when doing selling and buying through Instagram. This paper aimed to analyze the pattern of consumer behavior when buying things in Instagram application.

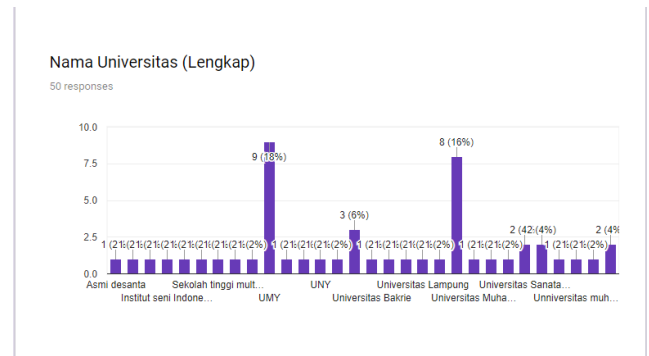**(1) The Result of Information Regarding Age, Name of The University, And Allowance**

Figure 1. Age
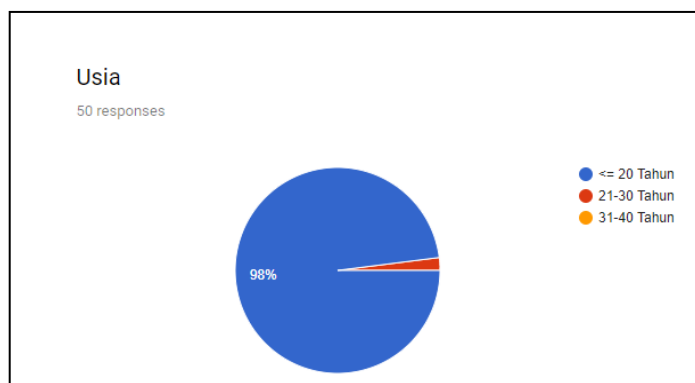
From the data obtained based on the questionnaire above, the form most filled by students who are less than 20 years

old and exactly 20 years old. This data explains that almost respondent is adult.

Figure 2. The University

From the diagram above, shows that some different university from some region in Indonesia. Especially, from java island. The highest percentage student who filled the questioner are from UMY and the others are from Asti Desanta University, Institus Seni Indonesia, Institut Teknologi Sumatra, Politeknik LPP Yogyakarta, MMTC Yogyakarta, UGM, University of Indonesia, Bakrie University, University of Baturaja, University of Lampung, Yogyakarta University, Sanatha Dharma University. This data explain that, the respondent are from various University and Institut in Indonesia which has different environment and cultures.

Figure 3. Allowance
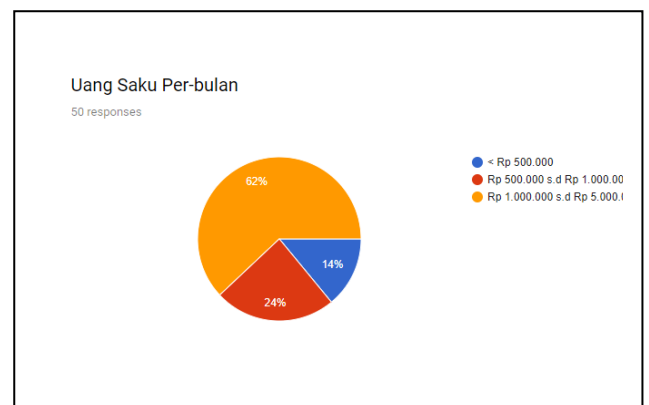
From the diagram, it can be seen that 70% of the respondents have monthly allowance from Rp 1.000.000 until Rp 5.000.000 per month, 20% of respondents have monthly allowance Rp 500.000- Rp 1.000.0000 per month and the last 10% of respondents have less than Rp 500.000 for monthly allowance. The data show that those are the amount of their allowance per month for their campus life mostly Rp 1.000.000 – Rp 5.000.000 and probably include their living cost there

(2) The Result of Information Related to the Respondents' Activities in Instagram

Figure 4. How Long Has Joined In Instagram
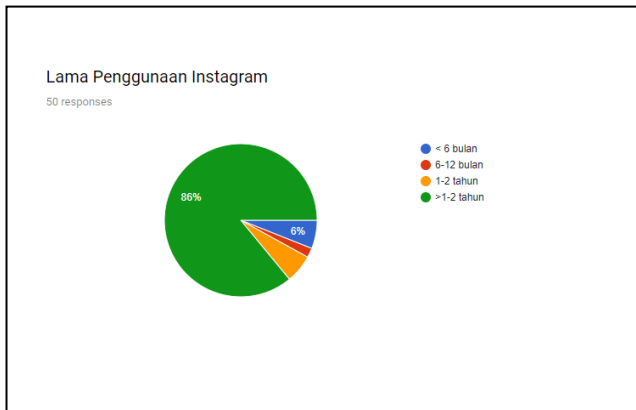
The above diagram shows the number of respondents who have already joined instgram for more than 1-2 years accounting for 80.6% and 9.7% of them has been a user for 1-2 years and the rest has been a user only a year and less than 1 years. It means that a 86% of respondent already joined with Instagram for long time and already understand how to use Instagram.

Figure 5. Time for Using Instagram
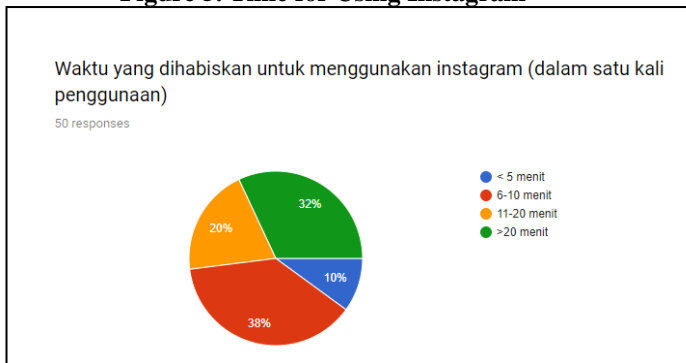
The diagram shows that 38% of respondents active in Instagram for 6-10 minutes, 32% of respondents used time for more than 20 minutes in Instagram, for 20% of respondent using
Instagram for 11-20 minutes and the last only less than 5 minutes for 10% of respondents. It means
that from 50 respondents many of them using their Instagram only for 10 minutes until more than 20 minutes.
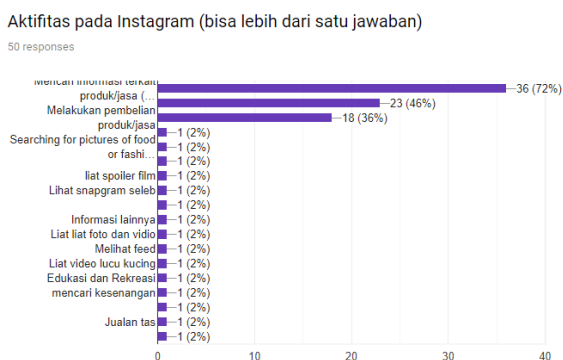
Figure 6. Activity(s) in Instagram

Figure 6 shows the percentage of respondents who are doing their activity in Instagram. It is evident that 60.6% of the respondents tried to find more information related to the goods and services, 54.4 tried to find the sellers of the product and services through Instagram, 30.3% answered that they were purchasing the goods and services. It can be concluded that based on the percentage 60.6% of respondent interested to look for information linked to the product goods and services.

Figure 7. Frequently Used Features in Instagram
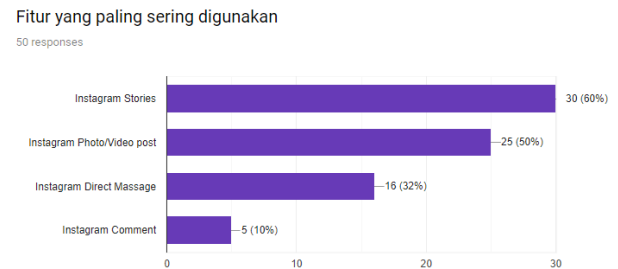
From figure 7 shows the percentage of respondents Frequently Used Features in Instagram that was obtained when the respondent more using Instagram stories feature about 57.6%, to take a look at photos/ videos post 42.4%, looking for Instagram direct massage about 42,4%, and low interested in using Instagram comment it's about only 12,1%. Its means, that they're more interested in using called instagram stories.
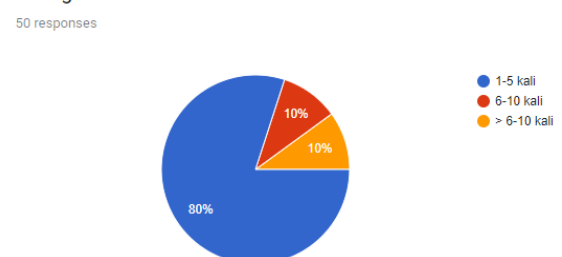
Figure 8. Frequently Visited Users

From figure 8 it can be seen that the percentage of respondent that frequently visited users is their friend's account about 87.9% and the rest visited users are public figure/selebgram/ actors, etc.

(3) The Result of Respondents' Purchasing Activities on Instagram
**Figure 9. How Many Times to Make a Purchase**

From figure 9, it can be seen that the percentage of respondent who asking by how many times they did purchasing by Instagram. About 87.9% of respondent did 1-5 times, about 9.1% of respondent did 6-10 times and only 3% who did more that 6-10 times in purchasing by Instagram. its means They not too consumptive doing purchasing through Instagram.

Figure 10. Looking for The Recommendation from others

Saya sering melihat rekomendasi dari pengguna instagram lain sebelum membeli produk/jasa.

50 responses
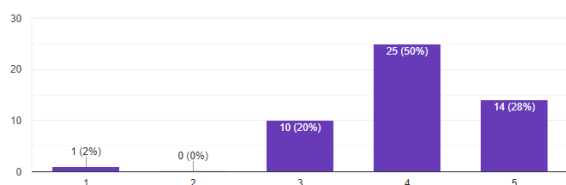
From the figure, it show that respondents agree by looking for recommendation from other user in instagram about 50%, extremely agree about 28%, neutral in 20% and extremely not agree about 2%. It can be conclude that 50% of respondent which is 25 respondents are agree that when they want to buy goods and services they must see the recommendation from other.

Figure 11. Duration for looking the product

Saya menghabiskan banyak waktu dalam melihat rekomendasi dari pengguna instagram lain sebelum membeli produk/jasa.

50 responses
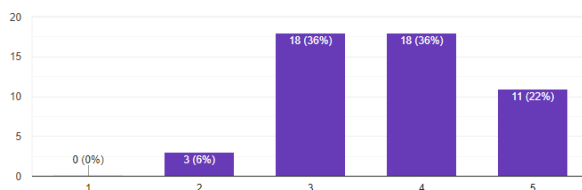
From the figure, can be interpret about neutral and agree same rate about 36%, extremely agree with the percentage is 22% and not agree only 6%. In can be conclude that, most respondent about 36% respondent or 36 of 50 need more time by looking recommendation from other.

Figure 12. Recommendation or Information Needed

Rekomendasi yang diberikan oleh pengguna Instagram lain memenuhi kebutuhan informasi saya terhadap suatu produk/jasa.

50 responses
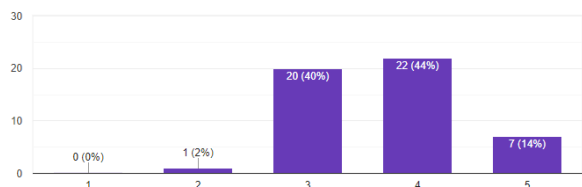
From the figure, it can says that whos agree with the statement is 44%, neutral 40%, extremely agree 14%, and not agree 2%. It can be conclude, recommendation or information from other are helping the respondent to fulfill their need (goods and services).

So, online shop is a shop that offers goods and services by the internet. Consumers at the online shop can see goods and services in the form of pictures or videos. Usually, items sold by the online shop are limited edition or time and are usually not in stores or markets. Thus, these conditions increasingly make people interested to do online. Shopping At present, social media in the form of Instagram is indeed a trend among young people. Instagram is a social media used to share photos and short videos. The function is then used by some people to upload photos of online shop products with a complete classification of goods and the price of the product. This makes every person who is accessing Instagram can immediately see the product.

This system will make it easier for consumers to choose the products they like. Because, in Instagram, you can also know some products from several online shops at the same time. This is a benefit that can be gained by consumers from an online shop. Ollie (2008) argues that the benefits of shopping through online shopping are making it easy because customers can ordering products within 24 hours a day so they don't need to be complicated; information clarity because customers can obtain a variety of comparative information about companies, products and competitors without leaving the work done by the customer; and a lower level of compulsion because customers do not need to face or serve persuasion from emotional factors.

The variety of products that can be accessed in this Instagram, makes easier for someone to find the product or product that they want. Also, items that have been posted on Instagram are also able to satisfy people who access Instagram because there is a detailed classification of the goods or products. So consumers can directly find out the quality of the items posted on the Instagram.

CONCLUSION AND SUGGESTION

From the results and discussion above, the respondent are already adult who has allowance Rp 1.000.000 until Rp 5.000.000 per month. In the result can understand they also really understand how to using the online shopping platform like instagram so well. The variety of products that can be accessed in this Instagram, makes easier for someone to find the product or product that they want. Also, items that have been posted on Instagram are also able to satisfy people who access Instagram because there is a detailed classification of the goods or products. So consumers can directly find out the quality of the items posted on the Instagram.

From percentage of what they looking at in instgram for example, they need recomendation and information from their friends and also public figure by instastory, photos and videos. They need recommendation and information from others by looking at Instagram for 10 minutes until more than 20 minutes. In here can be conclude, the shopping behaviour of student really influence by other.

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